

**The grand committee, to whom was recommitted a report on the subject of supplies for the year one thousand seven hundred and eighty-five, submit the following report.**

**The GRAND COMMITTEE, to whom was recommitted a REPORT on the Subject of SUPPLIES for the Year One Thousand Seven Hundred and Eighty-five, submit the following REPORT.**

**RESOLVED, THAT** for the services of the present year, one thousand seven hundred and eighty-five, for the payment of one year's interest on the foreign and domestic debt, and as a provision to discharge the excels of the estimate of April twenty-seventh, one thousand seven hundred and eighty-four, above the proportion of former deficiencies, called for by the resolve of Congress of that date, it will be necessary that the sum of **THREE MILLIONS OF DOLLARS**, in addition to 708,452 dollars, hereafter provided for, be paid into the common treasury, on or before the thirty-first day of December next, to be appropriated to the following purposes.

Dollars Civil department, 122,331 Military department, 187,224.32 Purchase of Indian right of soil and other incidental expenses Marine department, 30,000 Indian treaties, 5,000 Federal buildings in parts of the sum appropriated to that use by the resolution of the 20th Dec. 1784, 30,000 Contingencies, 60,000 434,555.32

FOREIGN DEBT. 10,000,000 livres loaned in Holland and guaranteed by France, one years interest thereon 74,074 24,000,000 ditto public French loan, one year's interest thereon 222,222.20 174,000 dollars Spanish loan, one year's interest thereon 8,700 5,000,000 florins first Dutch loan, one year's interest thereon 96,527.5 2,000,000 ditto second Dutch loan, one year's interest thereon at 4 percent 30,888.88 846,710 livres to

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the farmers general of France, one year's interest thereon 7,840 3,000,000 ditto private French loan, one year's interest thereon 28,572 468,824.58

**DOMESTIC DEBT** Liquidated 10,517,380.6 dollars—one year's interest thereon 631,042.6 Loan office debt. 3,778,900 dollars issued to the 1st Sept 1777, equal to specie—one year's interest thereon 226,784 3,459,200 dollars issued between 1st Sept. 1777 and 1st of March 1778, which sum is subject to liquidation by the scale, but the interest is payable on the nominal sum—one year's interest thereon 207,540 5,146,330.8 dollars specie value of uncanceled loan office certificates issued after the 1st March 1778—one year's interest thereon 308,780.6 743,054.6 4,823,724 dollars estimated amount of certificates issued and to be issued to the lines of Maryland, Virginia, North Carolina, South Carolina and Georgia—one year's interest thereon 289,423.4 1,141,551.5 dollars, excess of the estimate of the 27th of April 1784, above the sum called for by the resolution of Congress of that date, to complete the first moiety of the requisition for eight millions of dollars 1,141,551.5 Total estimate, 3,708,452 Deduction, 708,452 Balance to be called for, 3,000,000

Deduct for monies actually applied towards a discharge of the last year's estimate, and which the sums required from the states last year will replace; and for loans now in the hands of the Dutch commissioners, and hereby appropriated for the purposes of this estimate, 708,452 dollars and there remainsthe balance of three millions of dollars, to be paid into the common treasury, in the course of the present year.

The committee find that, for reasons stated in the resolve of Congress, of the 27th of April, 1784, there yet remains a moiety of the requisition for eight millions of dollars, and the whole of the requisition for two millions of dollars, to be applied to the use of the United States, before any new requisition ought to be made—They are therefore of opinion, that the states be called upon to make actual payment of three quarters of the remaining moiety aforesaid, in the course of the present year.

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The committee have not been able to obtain information how many states have complied with the resolution of February 17th, or that of April 18th, 1783, relative to a rule, for quotaing federal requisitions—They are therefore of opinion, that the several states which have not decided on that subject, be again solicited to come to a decision thereon, and to send forward the same, as a measure necessary to enable Congress to effect a settlement of accounts with the several states, and to apportion to each a just quota of the public expences, but in the mean time, as the the public faith renders it the duty of Congress to continue their annual demand for money, the committee are of opinion, that in the apportionment thereof, the several states should be quotaed agreeably to justice, on the best information Congress may from time to time have upon the subject. And upon this principle recommend to Congress, that the said sum of three millions of dollars, be quotaed upon the several states as follows, viz.

DOLLARS: New-Hampshire, 105,416 Massachusetts, 448,854 Rhode-Island and Providence Plantations, 64,636 Connecticut, 264,182 New-York, 256,486 New-Jersey, 166,716 Pennsylvania, 410,378 Delaware, 44,886 Maryland, 283,034 Virginia, 512,974 North-Carolina, 218,012 South-Carolina, 192,366 Georgia, 32,060 3,000,000

Which sums, when paid, shall be passed to the credit of the states respectively, on the terms prescribed by the resolution of Congress of the 6th day of October 1779, and together with the monies relied on to discharge the aforesaid deduction of 708,452 dollars, be applied in conformity with the several appropriations in the preceding part of this report, giving preference according to the order in which they are stated in the estimate.

As more than two-thirds of the sum called for is to be applied to the payment of interest on the domestic debt; the committed are of opinion, that the several legislatures be allowed so to model the collection of the sums called for, that one third of any sum being paid in actual money, the other two thirds may be discharged by x discounts of interest with the domestic creditors. And so keeping the evidence of interest to be discounted, the holders # of loan office certificates shall be at liberty to carry them to the office from which

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they issued and the holders of other certificates and of liquidated debts of the United States, to carry the same to the loan-office of that state wherein they are inhabitant, or if a foreigner to any loan-office within the United States, and to have the interest due thereon, settled and certified to the last day of the year 1783 4 . Provided that the Comm [Committee?] (See other side A

x the interest due upon certif. & upon other cond. of the liquidated debt of states

# thereof respectively

That the commissioners of the board of treasury cause to be made a bank-paper, and thereon to be struck the blank form of a certificate, which shall evidence the interest due as aforesaid, and shall transmit to the several loan-officers, a sufficient number of the same. That the said commissioners furnish the several loan officers, with such checks and instructions, as they from time to time shall judge necessary, to prevent counterfeited certificates of debts from obtaining a settlement of interest, and to the receivers of federal taxes, such checks and instructions as may enable them to detect counterfeit evidences of interest, and thereby to avoid receiving them in discharge of taxes; which certificates of interest being parted with by holders of the principal, shall be deemed evidence that he has received satisfaction for the same, and therefore shall be receivable from the bearer in lieu of money in the proportion aforesaid, in any other state in the union, as well as in the state in which they were issued. That the state receiving such certificates and paying the same into the public treasury, shall have credit therefor in the proportion aforesaid; which payment shall be considered as a discharge of the interest due on the domestic debt, in the proportion that each state avails itself of the said certificates of interest. And where loan-office certificates issued after the first day of March 1778, shall be presented to the loan-officer, they shall be reduced to their specie value, conformably to the resolutions of Congress of June 28th, 1780, that specie value expressed on some part of the certificate, and the interest thereon settled and certified as in other cases.

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The committee find that the revenue system of April 18th, 1783, hath been adopted in whole or in part, by eleven states; and being of opinion that it is expedient for Congress still to rely on that plan, which has been so long under reference to the states, and which after repeated consideration in successive Congresses, has been found preferable to any other system, and conceived necessary to the establishment of the public credit, the committee submit it to Congress earnestly to recommend to such of the eleven states as have complied only in part, to adopt the same compleatly; and to the two other states, who have not adopted the plan either in whole or in part, to pass laws as soon as may be in conformity thereto.

The sum quotaed upon the states in the present demand, by providing for the deficiencies of former years, exceeds the sum the states were called on for during the last year; but the greater proportion of discount now admitted, will render it less impoverishing to the citizens.

As a motive for the chearful payment of the sum now called for, as well as of the arrearages on that of April 27, 1784, the committee are of opinion that the states be reminded, that Congress have passed an ordinance for the survey and sale of the western territory of the United States, and that the proceeds thereof will be applied as a sinking fund to extinguish the principal of the domestic debt. Future requisitions for interest on the domestic debt, will therefore be reduced in proportion as this fund may be rendered productive.—And while on this subject, the committee cannot forebear mentioning that of the states; claiming western territory, Massachusetts alone has made the expected cession during the last year, they are therefore of opinion, that the subject be again presented to the attention of the state, which have not complied with so reasonable a proposition; and that they be once more solicited to confide with candour and liberality, the expectations of their sister states, and the earnest and repeated applications made to them by Congress on this subject.

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A. of the continental loan office in any state shall not on any pretense whatever settle or issue any certificate or certificates for the interest due on any continental loan office certificate or other certificate of liquidated debt aforesaid, unless as hereafter provided until the state for which he is continental loan officer shall have passed a legislative act complying with this requisition; nor shall he issue any certificate or take any other measure whereby the interest may be paid by the state in any mode not printed out by their requisition; nor shall the commissioner of the continental loan office in any state that shall have complied with the requisition issue any certificate or take any other measure whereby a discrimination may be made by such state between the holders of loan office certificates issued from his office, who are citizens of that state and foreigners or the citizens of any other state, that shall have complied with this requisition: Provided always that any continental loan officer shall issue certificates for interest as aforesaid due on continental loan office certificates issued from his office and belonging to foreigners and also to the citizens of such states as shall have passed a legislative act complying with this requisition as aforesaid. Excepting from this proviso such state or states as by the book of the treasury shall appear to have paid their full quota of the requisition of the 30 Oct. 1781 for eight millions of dollars upon the former and present apportionment of the same, so far as to admit the commissioner of the continental loan office in such state or states to issue certificates for interest in the same manner as the commissioner in the states passing legislative acts as aforesaid.

Provided incidentally that where any state hath made provision by law for paying any part of the interest of the domestic debt of the United States contained in the estimate on which this requisition is founded, the continental loan officer in such State shall without delay ascertain the sum which shall have been so paid pursuant to such law on or before the \_\_\_\_\_ day of \_\_\_\_ and shall make report thereof to the board of treasury and also to the legislature of such state, who may deduct from their quota of this requisition and be endited[?] in part payment thereof; the sum so paid not exceeding two thirds of such quota. every State being to pay in special one third sums of the quota previously to the

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And if any state shall have so paid in discharge of interest as aforesaid a sum exceeding two thirds of its quota of this requisition such surplus shall be dismissed as a charge against the United States in the settlement of the general account of such state, but if any interest after the said \_\_\_\_\_ day of \_\_\_\_\_ shall be paid by any state contrary to the true intent of the requisition such payment shall not be admitted as a charge against the United States. And if any commission of a continental loan office shall disobey or neglect to carry into accustom or any resolution or ofer of Congress or otherwise neglect his duty in the said office, the board of treasury shall suspend him from his office and the emoluments thereof and immediately report the reason, thereof to Congress; And the board of treasury are hereby empowered to appoint in the room of the commissioner of the continental loan office so suspended, a person as so shall be a citizen of the state in which the office is kept and who shall have all the powers and emoluments of a commissioner of the continental loan office until Congress shall finally determine respecting the suspension.

And every commissioner of the continental loan office previous to selling and issuing certificates as aforesaid for the interest due on certificates of liquidated debts shall administer an oath or affirmation or require a certificate signed by one of the persons whom the respective State in the legislative act complying with this requisition shall appoint, that he has administered to the owner or possessor of every such certificate an oath or affirmation that the same is bona fide the property of the particular State in which the said commissioner resides or of a citizen or citizens of the said State or some corporate body or charitable institution within the same or of some foreigner who is not a citizen of any of the United States, describing the certificate or certificates alluded to in every such oath or affirmation in such manner as shall be necessary to identify the same or as may be prescribed by the legislature of the said State.

And for preventing the depreciation of certificates to be issued as aforesaid, the legislature of each State is required to provide in the act for complying with this requisition that if on the \_\_\_\_\_ day of \_\_\_\_\_ the said State's quota of the said certificates so to be issued shall not be in the hands of the of the state treasurer or other proper officer the deficiency shall

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be collected and paid into the continental treasury in specie which when so paid is hereby appropriated to the redemption of such surplus certificates.

Provided that any State which shall have obtained a credit in the books of the Treasury for the full payment of its quota of this requisition shall at anytime after such payment shall have been compleated, be admitted to pay into the Treasury of the United States, any sum or sums on the said certificates to be issued for interest as aforesaid and have credit for the same & to be deducted out of the whole quota of such State of the next succeeding requisition — provided that such sums do not exceed one half of the said quota.